

**SOUTH BEND REDEVELOPMENT COMMISSION  
REGULAR MEETING**

April 20, 2007

10:00 a.m.

Presiding: Marcia I. Jones, President

227 West Jefferson Boulevard  
South Bend, Indiana

**1. ROLL CALL**

Members Present:

Ms. Marcia Jones, President  
Mr. Karl King, Vice President  
Mr. Greg Downes, Secretary  
Mr. Hardie Blake, Jr.  
Mr. Ken Peczkowski

Legal Counsel:

Mr. Charles S. Leone, Esq.

Redevelopment Staff:

Mr. Don Inks, Director  
Mrs. Cheryl Phipps, Recording Secretary  
Mr. Bill Schalliol, Economic Development Specialist  
Mr. Andrew Laurent, Economic Development Specialist  
Ms. Jennifer Laurent, Economic Development Specialist  
Mr. Nicholas Witwer, Economic Development Specialist  
Mr. Robert Mathia, Assistant Director, Economic Dev.  
Ms. Debrah Jennings, Property Manager

Others Present:

Mayor Stephen J. Luecke  
Mr. Tom Price, Mayor's Office  
Mr. Brad Toothaker, CB Richard Ellis  
Mr. Rick Doolittle, Grubb & Ellis Cressy & Everett  
Mr. Richard Deahl, Barnes & Thornburg  
Mr. Philip Faccenda, Barnes & Thornburg  
Ms. Rita Kopala

**2. APPROVAL OF MINUTES**

**A. Approval of Minutes of the Regular Meeting of  
Friday, April 5, 2007.**

Upon a motion by Mr. Downes, seconded by Mr. King and unanimously carried, the Commission approved the Minutes of the Regular Meeting of Friday, April 5, 2007.

COMMISSION APPROVED THE MINUTES OF THE  
REGULAR MEETING OF FRIDAY, APRIL 5, 2007

### 3. APPROVAL OF CLAIMS

Redevelopment Commission Claims submitted April 20, 2007 for approval.

324 AIRPORT AEDA

Kentland L. Martindale	8,348.00
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414 SAMPLE EWING GENERAL

Hull & Associates, Inc.	4,634.00
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420 FUND TIF DISTRICT-SBCDA GENERAL

Tri County News	45.04
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Amproco System Parking	1,303.01
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SBD Reprographics	47.42
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South Bend Tribune	59.34
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\$	<u>14,436.81</u>
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Upon a motion by Mr. King, seconded by Mr. Downes and unanimously carried, the Commission approved the Claims submitted April 20, 2007, and ordered checks to be released

COMMISSION APPROVED THE CLAIMS  
SUBMITTED APRIL 20, 2007, AND ORDERED THE  
CHECKS TO BE RELEASED

### 4. COMMUNICATIONS

There were no Communications.

THERE WERE NO COMMUNICATIONS

### 5. OLD BUSINESS

**A. Report on Legal Research on I.C. 36-7-14-15.5(i).**

Mr. Leone noted that at the last meeting Mr. Peczkowski raised a question with respect to a section of the Redevelopment Statute and the Commission's ability to change tax assessments. Mr. Leone noted that I.C. 36-14-15.5(i) gives the Commission the authority to amend the allocation provision of a declaratory resolution to change the assessment date that determines the base assessed value of property. Mr. Leone feels that provision

**5. OLD BUSINESS (CONT.)**

**A. continued...**

is in the statute to allow the Commission to capture or exclude certain property that's coming on line. The assessment date may be pushed up or moved back to allow minor adjustments, but resetting the actual assessed value itself is not within the Commission's power. Mr. Peczkowski asked what that section does affect.

Mr. Leone responded that at the time a TIF area is declared, a base assessment date is established and a snapshot is taken of the assessed value of the TIF area. In future years any increased assessed value, over the base assessment, is available as TIF revenue. If there would be some benefit to the Commission to change that base assessment year, it has the authority to do that.

Mr. Peczkowski asked if we have been doing that. Mr. Leone didn't think so. Mr. Peczkowski felt that the tax paid could be lowered by selecting a date with a lower assessed value.

Mr. King responded that the only reason the Commission would reset the base assessment date of a TIF is to maximize the increment.

Mr. Leone noted that it's a tool that we can look at as projects come forward, if it would be advantageous to do that.

Mr. Peczkowski noted that this only came up because of the Habitat tax abatement. If that base assessment was lower to begin with, we wouldn't have to have abatements in that area. We would make the assessment as amenable as possible for the organization that wants to do projects in that area.

## **5. OLD BUSINESS (CONT.)**

### **A. continued...**

Mr. Leone noted that the Commission's authority is only in TIF areas.

Mr. Peczkowski responded that he thought the Habitat project was in a TIF area.

Mr. Leone responded that whenever you make a change to affect one or two properties in the area, it affects everyone else in the area. It's one of those things that needs to be analyzed to make sure it makes sense not only for particular properties, but for the other properties in the area.

Mr. King noted that Habitat was seeking an abatement on the improvements. Vacant land is assessed a lot lower than improved land. If you set the assessed value of the vacant land to zero, that eliminates a small amount of tax on that property, but the improvements result in a larger tax due. That's what Habitat wants abated for its families. We can't lower the assessed valuation on the yet-to-be built house, and that's what Habitat was getting the abatement on.

## **6. NEW BUSINESS**

### **A. Tax Abatements**

- (1) Commission approval requested for Resolution No. 2327 approving an application for real property tax deduction for property located at 1840 North Commerce Drive in the Airport Economic Development Area. (Stanz Food Service)**

Mr. Mathia gave the staff report on the project. Stanz Food Service is a full-line, food service distribution business. Stanz

**6. NEW BUSINESS (CONT.)**

**A. Tax Abatements**

**(1) continued...**

uses its warehouse and distribution facility to store dry, refrigerated, and frozen goods to facilitate the transfer and delivery of such goods to customers throughout northern Indiana and southern Michigan. Land acquisition costs have been incurred by Stanz to facilitate the use of its site in the Airport Industrial Park. The proposed project will enable Stanz to increase the size of its warehouse and distribution facility, enhance operating efficiencies through new cold/freezer warehouse technology, and accommodate growth in its full-line grocery warehouse and distribution business.

Stanz proposes to make a substantial investment in new real estate construction and rehabilitation at its primary warehouse and distribution facility located on Commerce Drive. The investment includes a new cold/freezer warehouse facility totaling 48,000 square feet to be connected to Stanz's existing facility, at an estimated cost of \$6,600,000 to \$8,800,000. An additional investment between \$600,000 and \$800,000 would be used to rehabilitate Stanz's existing office and warehouse facility.

Total taxes to be abated during the ten-year abatement period are estimated at \$1,116,675 for a project cost of \$6,600,000 and \$1,488,900 for a project cost of \$8,800,000, which is the range the company has provided. Total taxes to be paid during the ten-year abatement period are estimated between \$1,139,235 and \$1,518,980.

**6. NEW BUSINESS (CONT.)**

**A. Tax Abatements**

**(1) continued...**

The redevelopment and rehabilitation project will not create any additional full-time or part-time permanent jobs within the first year; however, Stanz will be able to maintain 162 existing, permanent, full-time jobs and nine existing, permanent part-time jobs with an annual payroll of \$7,251,439.

Stanz Food Service has had two previous tax abatements in 1985 and 2005. The property is properly zoned for the proposed project. The property is in the Airport Economic Development Area, which is a Tax Increment Allocation Area; therefore, the petition for real property tax abatement must first be approved by the South Bend Redevelopment Commission. The project qualifies for a ten-year real property tax abatement under the tax abatement ordinance.

Mr. Richard Deahl noted that two years ago Stanz Food Service proposed building a new facility in an industrial park north of Cleveland Road. The Commission granted a ten-year abatement for that project. However, when the project was bid for construction, the cost of the project, originally proposed at \$6-8M, had escalated to \$12-13M. They took another look at their existing facility and have decided to acquire adjoining property and expand there. So, two years later they anticipate spending the same amount they intended to spend two years ago to build about half of what they originally intended. This is a very important project to enable them to continue to serve their

**6. NEW BUSINESS (CONT.)**

**A. Tax Abatements**

**(1) continued...**

customer base. They would appreciate the Commission's support.

Mr. Downes made a motion to approve Resolution No. 2327. Mr. King seconded the motion. The motion carried on a vote of four to one with Mr. Peczkowski opposed. The Commission approved Resolution No. 2327 approving an application for real property tax deduction for property located at 1840 North Commerce Drive in the Airport Economic Development Area. (Stanz Food Service)

COMMISSION APPROVED RESOLUTION No. 2327  
APPROVING AN APPLICATION FOR REAL  
PROPERTY TAX DEDUCTION FOR PROPERTY  
LOCATED AT 1840 NORTH COMMERCE DRIVE IN  
THE AIRPORT ECONOMIC DEVELOPMENT AREA.  
(STANZ FOOD SERVICE)

Ms. Jones asked to consider item 6.C.(2), (1), (4) and (3) at this time and in that order. There was no objection and the items were moved up on the agenda.

**C. Sample-Ewing Development Area**

**(2) Commission approval requested for First Amendment to Contract for Sale of Land for Private Development by and between the City of South Bend and the South Bend Redevelopment Commission and AJW South Bend Realty Corp and the TJX Companies, Inc.**

Mr. Inks explained items 6.C.(1), (2), (3) and (4) together. Mr. Inks noted that the goal for the tax base is 86% complete. We expected from both Phase 1 and Phase 2 to realize increased assessed value of \$24M. The actual assessed value will be \$20.7M (86% of the initial goal). It was expected to be accomplished in two phases, the first with 500,000 sft and then within a couple of years

**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

**(2) continued...**

phase 2 at 300,000 sft. Phase 1 has been completed. Phase 2 is still expected to be completed, but at a later time when the company grows its retail operations to the point they need additional distribution capacity.

At the time the project was started, growth was very strong for A.J. Wright and plans were to bring that additional capacity on line, but in November 2006 the company went through a repositioning, closing 34 of its 162 stores. Those stores had profit contributions that were significantly below the balance of the chain. As a part of that same announcement A.J. Write indicated that five to ten new stores were expected to be opened in 2008. We have received word from the company that they now expect to open five new stores in 2007 and ten new stores in 2008, but it will still take them time to generate the need for additional distribution capacity and complete phase 2.

The goals for job creation with the project are 58% complete for Phase 1. Six hundred fifty-seven jobs were to be created. The number at the end of 2006 was 379. An additional 200 jobs related to phase 2 were expected by the end of 2007.

So, the First Amendment, in Article 3 regarding disposition of the deposit at closing. That deposit created a performance guarantee escrow related to construction of \$230,588. It was put into escrow and the



**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

**(2) continued...**

terms for release of 65% of the escrow was upon completion of phase 1. Those were the original terms of the agreement and that remains unchanged. The remaining 35% of the escrow is amended so that the amount (\$80,707) will be split equally between A.J. Wright and the City of South Bend. In total, A.J. Wright will receive 82.5% of the escrow and the city will receive 17.5%. That roughly parallels the goal for our tax base completion of 86%. We'll be retaining a portion of the escrow agreement based on the full tax base not being realized on the project.

Then in Article 12 it talks about the Certificate of Completion. This will be amended to eliminate the need for a Phase 2 Certificate of Completion, and, accordingly, any reversionary rights the Redevelopment Commission might have. In Article 12, concerning job targets, this was amended to change the date for Phase 2 jobs from 2007 to 2010, to recognize the economically changed conditions and to allow additional time for those jobs to be created. At the same time, because the penalty schedule ended in 2016, we extended that by three years as well to run until 2019. We also amended to change the calendar year end reporting for the job requirements to the company's fiscal year end of November 30. And, changes to the job penalty which were a one-time \$5,500 charge per job deficiency, that was changed to a \$460 annual deficiency charge for any job not present each year. The \$460 was arrived at by taking the

**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

**(2) continued...**

original penalty of \$5,500 and dividing by the number of years in the penalty schedule, which was twelve years and rounding up to \$460. At current job levels, if the jobs did not increase, the company would pay penalties of \$2,156,000 under the original agreement. Under the revised schedule, the payments would amount to \$2,295,000. The final change was the amended Exhibit Q which reflects the changes related to the job targets. The job penalties due through 2006 would equal \$199,640 based on the jobs as reported by the company and the shortfall from what was originally expected.

The Certificate of Completion certifies that the project is complete in accordance with the First Amendment and terminates all rights, covenants, requirements, obligations, and the like in the agreement except Paragraph Four regarding job targets and related penalties.

The Closing Statement closes the escrow by distributing the full amount of the escrow of \$230,588 plus \$9,404.90 to be paid by A.J. Wright, for a total payment due the Redevelopment Commission of \$239,992.90. This represents the total of the job penalties through the first two years of the agreement, 2005 and 2006, plus the Commission's share of the Escrow for the First Amendment.

Finally, Resolution No. 2332 authorizes legal counsel to prepare the First Amendment and related documents necessary to meet the

**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

**(2) continued...**

obligations expressed in the Amended Contract for Sale of Land, authorizes the Redevelopment Commission to execute all documents in the form and substance as presented at this meeting with such changes as may be suggested by legal counsel and approved by the President or Vice President and Secretary. Effectively, this allows for non-material changes and corrections of any errors that might be found in the documents before the Commission this morning.

Mr. King noted that the documents all seem to be intertwined, so that they must all be approved as a bundle. Mr. Inks agreed.

Mr. King moved the separate approval of items 6.C.(2), 6.C.(1), 6.C(4) and 6.C.(3).

Mr. Peczkowski countered with a motion that item 6.C.(2) be referred back to committee to include the amendments the Commission discussed in Executive Session, potentially putting in a review date to assess this. He said he believed that the numbers are not up to snuff. The penalties are needed to show that the Commission is a tougher negotiator than is indicated by just blanketly approving this entire set of documents.

Mr. King raised a point of order. He noted that his motion needs a second and a vote before another motion is offered.

Mr. Leone noted that Mr. Peczkowski may offer an amendment after Mr. King's motion

**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

**(2) continued...**

has a second.

Mr. Downes seconded Mr. King's motion,  
excluding any amendment.

Mr. Peczkowski then offered an amendment to  
Mr. King's motion that section 6.C.(2) be  
referred back to committee for further review  
with the addition of the amendment that, as  
discussed in executive session, voiced the  
concerns of Misters Blake, King, and  
Peczkowski that the "clawback" features of  
the original contract be evaluated no later  
than 2010 rather than waiting until 2019 to  
assess compliance.

Mr. Blake seconded Mr. Peczkowski's  
amendment.

Mr. Peczkowski's amendment was defeated  
by a vote of two in favor, three against. Mr.  
King, Mr. Downes, and Ms. Jones were  
opposed.

Mr. King's motion was then approved by a  
vote of four in favor, one against. Mr.  
Peczkowski was opposed

The Commission approved the First  
Amendment to Contract for Sale of Land for  
Private Development by and between the  
City of South Bend and the South Bend  
Redevelopment Commission and AJW South  
Bend Realty Corp. and the TJX Companies,  
Inc.

COMMISSION APPROVED THE FIRST  
AMENDMENT TO CONTRACT FOR SALE OF LAND  
FOR PRIVATE DEVELOPMENT BY AND BETWEEN  
THE CITY OF SOUTH BEND AND THE SOUTH  
BEND REDEVELOPMENT COMMISSION AND AJW  
SOUTH BEND REALTY CORP. AND THE TJX  
COMPANIES, INC.

**6. NEW BUSINESS (CONT.)**

**C. Sample-Ewing Development Area**

- (1) Commission approval requested for Phase I Certificate of Completion in the Sample-Ewing Development Area. (A.J. Wright)**

The Commission approved the Phase I Certificate of Completion in the Sample-Ewing Development Area. (A.J. Wright)

COMMISSION APPROVED THE PHASE I  
CERTIFICATE OF COMPLETION IN THE SAMPLE-  
EWING DEVELOPMENT AREA. (A.J. WRIGHT)

- (4) Commission approval requested for Closing Statement related to the First Amendment to Contract for Sale of Land. (A.J. Wright)**

Mr. King made a motion to approve the Closing Statement related to the First Amendment to Contract for Sale of Land with A.J. Wright. Mr. Downes seconded the motion. The motion carried by a vote of four to one. Mr. Peczkowski was opposed.

COMMISSION APPROVED THE CLOSING  
STATEMENT RELATED TO THE FIRST  
AMENDMENT TO CONTRACT FOR SALE OF LAND  
(A.J. WRIGHT)

- (3) Commission approval requested for Resolution No. 2332 acknowledging and approving certain actions and authorizing and approving the execution of certain documents related to the A J Wright Distribution Project.**

Mr. King made a motion to approve Resolution No. 2332 acknowledging and approving certain actions and authorizing and approving the execution of certain documents related to the A J Wright Distribution Project. Mr. Downes seconded the motion. The motion carried by a vote of four to one. Mr. Peczkowski was opposed.

COMMISSION APPROVED RESOLUTION No. 2332  
ACKNOWLEDGING AND APPROVING CERTAIN  
ACTIONS AND AUTHORIZING AND APPROVING  
THE EXECUTION OF CERTAIN DOCUMENTS  
RELATED TO THE A J WRIGHT DISTRIBUTION  
PROJECT

**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

- (1) Commission authorization requested from Tuesley & Hall to use the former Rink Riverside site June 14, 2007 from 4:00 p.m. to 7:00 p.m.**

Ms. Laurent noted that the Tuesley & Hall law firm has requested use of the former Rink Riverside site for a small, private outdoor gathering celebrating the firm's tenth anniversary. The event is to take place the afternoon of Thursday, June 14 from 4 p.m. to 7 p.m. The partners and staff at Tuesley & Hall have been excellent neighbors while the Commission staged a large demolition project in their immediate periphery, and have been accommodating to the City and its contractors when it was needed. For this reason staff recommends approving their request. They have agreed to be responsible for cleanup and site control, and have submitted proof of liability coverage and an indemnification agreement.

Upon a motion by Mr. King, seconded by Mr. Downes and unanimously carried, the Commission approved the request to use Commission owned property. (former Rink Riverside site)

COMMISSION APPROVED THE REQUEST TO USE COMMISSION OWNED PROPERTY. (FORMER RINK RIVERSIDE SITE)

- (2) Commission approval requested for proposal for professional services in the South Bend Central Development Area. (Survey work, 111-117 North Michigan St)**

Ms. Laurent noted that Danch Harner & Associates has submitted a proposal to provide an ALTA survey for property at 111, 113, 115 and 117 Michigan St. for a cost of

**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

**(2) continued...**

\$2,950. Danch Harner did some preliminary work on the site in relation to the Main and Colfax parking garage renovations so it can complete the survey in a cost efficient and timely manner. Staff recommends approval.

Mr. Peczkowski questioned whether there was only one proposal. Ms. Laurent responded that the reason only one proposal was solicited was because of Danch Harner's previous work on the site giving them a starting place. Ms. Laurent noted that the Commission spreads its work between a large number of engineering firms.

Mr. Peczkowski responded that he just wondered if this was a competitive bid or not. Ms. Laurent responded that based on her knowledge of other engineering jobs we've bid, she is confident this is a competitive bid.

Mr. Downes made a motion to approve the request for proposal for professional services and to accept the proposal from Danch Harner & Associates for the scope of services and fee proposed. The motion was approved by a vote of four in favor, one opposed. Mr. Peczkowski was opposed.

COMMISSION APPROVED THE REQUEST FOR PROPOSAL FOR PROFESSIONAL SERVICES AND ACCEPTED THE PROPOSAL FROM DANCH HERNER & ASSOCIATES FOR THE SCOPE OF SERVICES AND FEE PROPOSED

**(3) Filing of Resolution No. 2328 amending the South Bend Central Development Area Development Plan and setting a public hearing for 10:00 a.m., May 18, 2007 on Resolution No. 2328.**

**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

**(3) continued...**

Ms. Laurent noted that Resolution No. 2328 will amend the South Bend Central Development Area Development Plan to add one parcel to the acquisition list. The parcel is located at 202, 204 and 206 S. Michigan Street, known as the KeyBank plaza. Acquisition is needed to facilitate an overall development partnership for proposed improvements to the KeyBank building.

Upon a motion by Mr. King, seconded by Mr. Downes and unanimously carried, the Commission accepted for filing Resolution No. 2328 and set a public hearing on Resolution No. 2328 for 10:00 a.m., May 18, 2007.

COMMISSION ACCEPTED FOR FILING  
RESOLUTION NO. 2328 AND SET A PUBLIC  
HEARING ON RESOLUTION NO. 2328 FOR  
10:00 A.M., MAY 18, 2007

**(4) Commission approval requested for proposal for professional services in the South Bend Central Development Area. (Title work and appraisals, 306 W. Monroe)**

Mr. Schalliol noted that staff is interested in beginning predevelopment activities for the Michiana Lock & Key property located at 306 West Monroe St. The services needed are title work and appraisals to determine a potential offering price for the property. Staff has received a proposal from Meridian Title Corp to perform a title search on the subject property for a flat rate of \$200. Staff has also received two proposals for the appraisal work. Jerome Michaels has submitted a proposal with a fee of \$1,750. Ralph Lauver has submitted a proposal with



**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

**(4) continued...**

a fee of \$1,850. Rick Pitts & Associates has submitted a proposal with a fee of \$2,800. Two appraisals are needed. Staff recommends accepting the proposals from Jerome Michaels and Ralph Lauver with a not to exceed budget of \$3,800 for the appraisal and title work.

Mr. Downes made a motion to approve the request for proposal for title work and to accept the proposal from Meridian Title for the scope of services and fee proposed. Mr. King seconded the motion. The motion was approved on a vote of four to one. Mr. Peczkowski was opposed.

COMMISSION APPROVED THE REQUEST FOR PROPOSAL FOR PROFESSIONAL SERVICES AND ACCEPTED THE PROPOSAL FROM MERIDIAN TITLE FOR THE SCOPE OF SERVICES AND FEE PROPOSED

Mr. Downes made a motion to approve the request for proposals for appraisal and to accept the proposals from Jerome Michaels and Ralph Lauver for the scope of services and fee proposed. Mr. King seconded the motion. The motion was approved on a vote of four to one. Mr. Peczkowski was opposed.

COMMISSION APPROVED THE REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES AND ACCEPTED THE PROPOSALS FROM JEROME MICHAELS AND RALPH LAUVER FOR THE SCOPE OF SERVICES AND FEE PROPOSED

**(5) Commission approval requested for amendment to contract with Wightman Petrie.**

Ms. Laurent noted that on January 19, 2007 the Commission approved a proposal from Wightman Petrie for professional services related to boundary modifications for both the South Bend Central and Sample–Ewing Development Areas. The proposal defined a limited scope of services and was for a not-

**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

**(5) continued...**

to-exceed amount of \$820. After beginning work on the boundary modifications, Wightman Petrie engineers found incompatible projections of the South Bend Central and Sample-Ewing boundary lines as their starting data, resulting in a significant increase in hours spent developing the new legal descriptions. The South Bend Central data was redone to be compatible with the Sample-Ewing data. Wightman Petrie has asked for an amended contract in the amount of \$2,120 to pay for the unforeseen work required. Staff recommends approval.

Mr. Peczkowski asked if the work was already done. Ms. Laurent responded that it is done.

Mr. Peczkowski asked why the work was done before the Commission authorized the additional fee, saying, "What is the point of contracts if we amend them willy nilly?" Ms. Laurent responded that Wightman Petrie performed the work "at risk." The staff typically operates in a "good faith" environment. Ms. Laurent acknowledged that another way to handle the situation would have been for them to stop work until they had the Commission authorization for the additional expenditure. Until enough work was done to determine the cause of the problem it couldn't have been known how much time would be required to complete it. Ms. Laurent said that it was her determination that this was the reasonable way to proceed.

**6. NEW BUSINESS (CONT.)**

**B. South Bend Central Development Area**

**(5) continued...**

Mr. Downes made a motion to approve the amended contract with Wightman Petrie for the scope of services and fee proposed. Mr. King seconded the motion. The motion carried on a four to one vote with Mr. Peczkowski opposed.

COMMISSION APPROVED THE REQUEST FOR PROPOSAL AND ACCEPTED THE PROPOSAL FROM WIGHTMAN PETRIE FOR THE SCOPE OF SERVICES AND FEE PROPOSED

**D. Airport Economic Development Area**

**(1) Filing of Resolution No. 2329 amending the Airport Economic Development Area Development Plan and setting a public hearing on Resolution No. 2329 for 10:00 a.m., May 18, 2007.**

Upon a motion by Mr. King, seconded by Mr. Downes and unanimously carried, the Commission accepted for filing Resolution No. 2329 amending the Airport Economic Development Area Development Plan and setting a public hearing on Resolution No. 2329 for 10:00 a.m., May 18, 2007.

COMMISSION ACCEPTED FOR FILING RESOLUTION NO. 2329 AMENDING THE AIRPORT ECONOMIC DEVELOPMENT AREA DEVELOPMENT PLAN AND SETTING A PUBLIC HEARING ON RESOLUTION NO. 2329 FOR 10:00 A.M., MAY 18, 2007

**(2) Commission approval requested for proposal for professional services in the Airport Economic Development Area. (Appraisals, 1633 Knoblock)**

Mr. Witwer noted that the residence at 1633 Knoblock, as well as several others, is surrounded by industrial sites. The owners of this property, Stephen and Teri Freel, have approached staff with an interest in being acquired. In order to assess our interest in acquiring this property we would like to have it appraised. Two appraisals are needed.

**6. NEW BUSINESS (CONT.)**

**D. Airport Economic Development Area**

**(2) continued...**

Staff has received a proposal from Witt Appraisal Services in the amount of \$500 and from Christopher Michaels in the amount of \$350. Staff recommends accepting both proposals for a not-to-exceed amount of \$1,000.

Upon a motion by Mr. Downes, seconded by Mr. King and unanimously carried, the Commission authorized the request for proposals and accepted the proposals from Witt Appraisals and Christopher Michaels for the scope of services and fees proposed.

COMMISSION AUTHORIZED THE REQUEST FOR PROPOSALS AND ACCEPTED THE PROPOSALS FROM WITT APPRAISALS AND CHRISTOPHER MICHAELS FOR THE SCOPE OF SERVICES AND FEES PROPOSED

**E. South Bend Medical Services District**

There was no business in the South Bend Medical Services District.

**F. West Washington-Chapin Development Area**

There was no business in the West Washington-Chapin Development Area.

**G. South Side Development Area**

There was no business in the South Side

**H. Northeast Neighborhood Development Area**

**(1) Commission approval requested for proposal for financial consulting services in the Northeast Neighborhood Development Area. (TIF Analysis)**

Mr. Inks noted that staff has received a

**6. NEW BUSINESS (CONT.)**

**H. Northeast Neighborhood Development Area**

**(1) continued...**

proposal from Crowe Chizek to provide analysis of the TIF expected to be generated by the proposed Eddy Street Commons and South Bend Clinic projects. The Eddy Street Commons project is a development of over \$200,000,000 of mixed use (commercial, retail, residential, hotel) development at Edison and Eddy Streets. The fee for the services is an amount not to exceed \$30,000. Staff recommends approval.

Mr. King disclosed that he was affiliated with Crowe Chizek and Company for thirty-five years. He retired in April 1999. He is not employed in any way by Crowe Chizek, he does not have any ownership in Crowe Chizek, nor does he receive financial compensation of any kind from Crowe Chizek. He does, however, participate in their group insurance health plan for which he pays the full premium. Legal counsel has advised that this does not constitute a conflict of interest that would prohibit Mr. King from discussion or vote on this item, but he wished to disclose it publicly.

Mr. Downes made a motion to approve the request for proposal for financial consulting services and to accept the proposal from Crowe Chizek for the scope of services and fee proposed. Mr. King seconded the motion. The motion carried on a four to one vote with Mr. Peczkowski opposed.

COMMISSION APPROVED THE REQUEST FOR PROPOSAL FOR FINANCIAL CONSULTING SERVICES AND ACCEPTED THE PROPOSAL FROM CROWE CHIZEK FOR THE SCOPE OF SERVICES AND FEE PROPOSED

**6. NEW BUSINESS (CONT.)**

**I. Douglas Road Economic Development Area**

There was no business in the Douglas Road Economic Development Area.

**J. Other**

**(1) Staff report on disposition of Commission-owned property.**

Mr. Laurent noted that the Commission does not have any of its For Sale properties listed with a commercial real estate broker. To help remedy that situation, staff solicited proposals for brokerage agreements from several brokers in the area. The Commission received those proposals from Grubb & Ellis Cressy & Everett and from CB Richard Ellis in February and heard presentations from both firms. Since that time staff has had internal dialog as well as extensive discussions with both of those companies. As a result of those discussions, staff feels it would be in the best interest of the Commission to not totally reject either proposal. We feel it would be in the Commission's best interest to work with both companies. Staff proposes to accept the proposal of Grubb & Ellis to list our properties in the Airport Economic Development Area and accepting the CB Richard Ellis proposal to list the properties in the South Bend Central Development Area and the Sample-Ewing Development Area. Staff requests accepting both proposals and direct staff and legal counsel to develop brokerage agreements with both companies to bring to the Commission at its next meeting.

**6. NEW BUSINESS (CONT.)**

**J. Other**

**(1) continued...**

Upon a motion by Mr. King, seconded by Mr. Downes and unanimously carried, the Commission authorized staff to develop definitive brokerage agreements with Grubb & Ellis Cressy & Everett and with CB Richard Ellis to be brought to the Commission for final approval at a later time.

Commission authorized staff to develop definitive brokerage agreements with Grubb & Ellis Cressy & Everett and with CB Richard Ellis to be brought to the Commission for final approval

**(2) Commission approval requested for Resolution No. 2330 setting a public hearing on the appropriation of monies from the Redevelopment General Fund (Fund 433) for the purpose of paying for certain expenses incurred by the Redevelopment Commission (outside legal counsel)**

Mr. Inks noted that Resolution No. 2330 sets a public hearing for 10:00 a.m., May 18, 2007 on the appropriation of funds.

Mr. Peczkowski asked to see an itemization of what the funds would be used for. Mr. Inks responded that this is an appropriation. We are setting up a funding source to pay for outside counsel. This isn't paying bills we've already received.

Upon a motion by Mr. Downes, seconded by Mr. King and unanimously carried, the Commission approved Resolution No. 2330 setting a public hearing on the appropriation of monies from the Redevelopment General Fund (Fund 433) for the purpose of paying for certain expenses incurred by the Redevelopment Commission. (Outside legal counsel)

COMMISSION APPROVED RESOLUTION No. 2330  
SETTING A PUBLIC HEARING ON THE  
APPROPRIATION OF MONIES FROM THE  
REDEVELOPMENT GENERAL FUND (FUND 433)  
FOR THE PURPOSE OF PAYING FOR CERTAIN  
EXPENSES INCURRED BY THE REDEVELOPMENT  
COMMISSION. (OUTSIDE LEGAL COUNSEL)

## 7. PROGRESS REPORTS

Mr. Inks reported that on March 10 staff made a presentation to the South Bend Common Council regarding tax increment financing. He distributed to Commissioners a copy of the printed materials distributed to Council members at that time. The materials include answers to Frequently Asked Questions as well as maps showing development areas and any sub-allocation areas, dates the TIF areas were established and their ending date if there is one established, whether residential is included as part of the TIF area, the acreage of the areas, the assessed value for Pay 06, the actual TIF revenue for Pay 06, a calculation of the impact of the 2% circuit breaker on TIF revenues. Staff thought it would be good information for Commission members as well as the Council. The Frequently Asked Questions and their answers have also been posted on the City's Web site.

### PROGRESS REPORTS

## 8. NEXT COMMISSION MEETING

The next meeting of the Redevelopment Commission is scheduled for Friday, May 4, 2007 at 10:00 a.m.

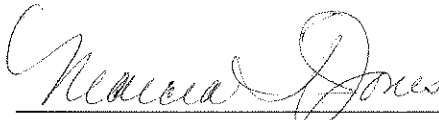
### NEXT COMMISSION MEETING

## 9. ADJOURNMENT

There being no further business to come before the Redevelopment Commission, Mr. King made a motion that the meeting be adjourned. Mr. Downes seconded the motion and the meeting was adjourned at 10:43 a.m.

### ADJOURNMENT

  
\_\_\_\_\_  
Donald E. Inks, Director

  
\_\_\_\_\_  
Marcia I. Jones, President



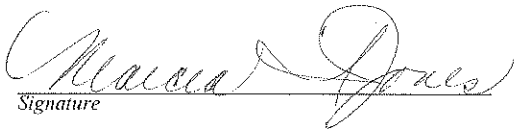
South Bend Redevelopment Commission  
Regular Meeting –April 20, 2007

**EXECUTIVE SESSION**

**April 20, 2007**

The South Bend Redevelopment Commission met in Executive Session on Friday, April 20, 2007, at 9:15 a.m. The meeting was held in Room 1200 County-City Building, 227 West Jefferson, South Bend, Indiana, for the purposes specified in I.C. 5-14-1.5-6.1(b)(2)(D). Commissioner's Present: Marcia Jones, President; Karl King, Vice President; Greg Downes, Secretary; Hardie Blake, Ken Peczkowski. Others Present: Jeff Gibney, Executive Director, Community & Economic Development, Don Inks, Director, Economic Development, Attorney Charles Leone, Bill Schalliol, Nick Witwer, Andy Laurent, Jennifer Laurent, Catherine Fanello and Robert Mathia. The Commission certifies that no topic was discussed other than the subject matter specified in the Public Notice. The Executive Session was adjourned at 10:00 a.m.

**CITY OF SOUTH BEND,  
DEPARTMENT OF REDEVELOPMENT**



*Signature*

Marcia I. Jones, President

*Printed Name and Title*

**South Bend Redevelopment Commission**